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C. REMARKS

1. Summary of the Claims

Claims 1-6, 8-18, and 20 are pending in the application. Claims 1, 9, and 13 are the independent claims.

Claims 1, 2, 5, 6, and 8 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Claims 1-6, 8-18, and 20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,085,976 to Sehr (hereinafter Sehr). Applicant respectfully traverses the rejections.

2. Improper Final Rejection - 35 U.S.C. § 101

Applicant respectfully directs the Office's attention to Section 706.07(a) of the Manual of Patent Examining Procedure, edition 8, revision 1, which, *inter alia*, states:

Under present practice, second or any subsequent actions on the merits shall be final, except where the examiner introduces a new ground of rejection that is neither necessitated by applicant's amendment of the claims nor based on information submitted in an information disclosure statement filed during the period set forth in 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p).

In the final rejection, the Examiner introduces a new ground of rejection that is neither necessitated by Applicant's amendment nor based on information submitted in an information disclosure statement. The Examiner rejects claims 1, 2, 5, 6, and 8 under 35 U.S.C. § 101 because the Examiner believes that these claims do nothing more than manipulate an abstract idea. Applicant respectfully disagrees with the Examiner, as detailed below. However, in addition to not being a well-founded

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rejection, the rejection is also an improper final rejection as it is not necessitated by Applicant's amendments of the claims.

In Applicant's previous response, Applicant amended independent claim 1 to add further limitations to the claim. As stated in Applicant's previous amendment, independent claim 1 was amended to include limitations previously found in dependent claims 7 and 8. The preamble was not amended, and remains as originally drafted, i.e. "A method of providing electronic tickets." The same four elements that were originally in claim 1 are still in the claim. Nothing has been deleted from the claim. In fact, the only change to independent claim 1 was to add additional limitations (previously found in dependent claims 7 and 8) to the third element of claim 1. Instead of sending just a ticket identifier, claim 1 now includes sending ticket information and a ticket identifier. Ticket information is further defined as including a ticket layout, and the printed ticket is further limited to including the ticket identifier and the security features. As stated above, independent claim 1 was amended to include limitations previously found in dependent claims 7 and 8.

Applicant is at a loss to understand why the Examiner has decided that independent claim 1 (and dependent claims 2, 5, 6, and 8) have suddenly become non-statutory under 35 U.S.C. § 101. It is implausible that original claim 1 was statutory, while amended claim 1, which deletes nothing and actually adds further limitations, is not statutory. Merely pulling elements from dependent claims (i.e. claims 7 and 8) into an independent claim (i.e. claim 1) can not make both claims (i.e. 1 and 8) non-statutory. This makes absolutely no sense.

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If the Examiner wants to bring in a new rejection under 35 U.S.C. § 101, the Examiner is certainly free to do so. However, the Examiner should properly make this rejection in a non-final office action, thus giving Applicant a fair opportunity to respond to the rejection. Applicant respectfully submits that the Office Action of August 26, 2004, to which this Response is made, should not have been made final, in light of present Office practice. Applicant therefore respectfully requests that the finality of the Office Action be withdrawn so as to comply with the present standards of practice promulgated in the Manual of Patent Examining Procedure.

3. Improper Final Rejection - 35 U.S.C. § 103

In the first Office Action (mailed February 26, 2004), the Examiner rejected all claims in the Application under 35 U.S.C. § 102(e) as being anticipated by Sehr, U.S. Patent No. 6,085,976 (hereinafter Sehr). In the Final Office Action, the Examiner still rejects all claims in the Application using Sehr as the only prior art reference, however, the Examiner has inexplicably changed the basis of the rejection from 35 U.S.C. § 102(e) to 35 U.S.C. § 103(a). Applicant respectfully disagrees with the rejections under 35 U.S.C. § 103(a), as detailed below.

Further, Applicant respectfully submits that the rejection under 35 U.S.C. § 103(a) is improper as it was not necessitated by Applicant's amendments. While Applicant did amend the claims in response to the first Office Action, Applicant simply pulled elements from some of the dependent claims into the independent claims. For example, elements of dependent claims 7 and 8 were pulled into independent claim 1, and elements of dependent claims 19 and 20 were pulled into independent claim 13.

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Independent claim 9 was similarly amended to be consistent with independent claims 1 and 13.

In essence, Applicant did not add any new limitations to the totality of the claims. The only thing that changed is that some of the limitations are now found in independent claims, rather than dependent claims. Thus, it does not make sense to have the same prior art, i.e. Sehr, used as the sole basis for an obviousness rejection when it was previously used as the sole basis for an anticipation rejection. If Sehr truly teaches all the elements of all the original claims, as the Examiner contends in the first Office Action, then why did the Examiner change the rejection from anticipation to obviousness, using the same single piece of prior art, when all Applicant did was pull dependent elements into independent claims? Moreover, in this case, merely including dependent elements into a base claim can not be deemed an amendment that necessitated a new search, as all of these elements have already been searched. Indeed, the same elements still exist, only now they are being rejected as obvious, rather than anticipated. This surely was not a rejection that was necessitated by Applicant's amendments to the claims. The same single piece of prior art, i.e. Sehr, is being used to reject the same elements as present in the original claims, and yet the basis of the rejection has changed.

If the Examiner wants to use the same prior art, but change the rejection from an anticipation rejection to an obviousness rejection, the Examiner is certainly free to do so. However, the Examiner should properly make this rejection in a non-final office action, thus giving Applicant a fair opportunity to respond to the rejection. Applicant respectfully submits that the Office Action of August 26, 2004, to which this Response is

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made, should not have been made final, in light of present Office practice. Applicant therefore respectfully requests that the finality of the Office Action be withdrawn so as to comply with present PTO standards of practice.

4. Claim Rejections - 35 U.S.C. § 101

Claims 1, 2, 5, 6, and 8 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. The Examiner states that the claims are directed to a process that does nothing more than manipulate an abstract idea. Applicant respectfully disagrees, and respectfully directs the Office's attention to Section 2106, part IV.B.2(e) of the Manual of Patent Examining Procedure, edition 8, revision 1, which, *inter alia*, states (emphasis added):

A process that consists solely of the manipulation of an abstract idea without any limitation to a practical application is nonstatutory. See, e.g., Warmerdam, 33 F.3d at 1360, 31 USPQ2d at 1759. See also Schrader, 22 F.3d at 295, 30 USPQ2d at 1459. Office personnel have the burden to establish a prima facie case that the claimed invention taken as a whole is directed to the manipulation of abstract ideas without a practical application.

In order to determine whether the claim is limited to a practical application of an abstract idea, Office personnel must analyze the claim as a whole, in light of the specification, to understand what subject matter is being manipulated and how it is being manipulated. ***During this procedure, Office personnel must evaluate any statements of intended use or field of use, any data gathering step and any post-manipulation activity.*** See section IV.B.2(d) above for how to treat various types of claim language. ***Only when the claim is devoid of any limitation to a practical application in the technological arts should it be rejected under 35 U.S.C. 101. Further, when such a rejection is made, Office personnel must expressly state how the language of the claims has been interpreted to support the rejection.***

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Applicant respectfully submits that the Examiner has not met the burden of Section 2106, part IV.B.2(e) of the Manual of Patent Examining Procedure. The Examiner has not shown that claims 1, 2, 5, 6, and 8 are "devoid of any limitation to a practical application in the technological arts." Further, the Examiner has not "**expressly state[d]** how the language of the claims has been interpreted to support the rejection." Applicant is not simply manipulating an abstract idea. Rather, Applicant is producing a concrete, tangible, and useful result.

As claimed in independent claim 1, a ticket purchase request and one or more security features are received from a customer. Claim 1 further claims "sending ticket information and a ticket identifier to the customer in response to the purchase request, the ticket information including a ticket layout, wherein the ticket layout is adapted to allow the customer to print a printed ticket, the printed ticket formatted according to the ticket layout and the printed ticket including the ticket identifier and the security features." Surely, this is more than mere manipulation of an abstract idea. In response to a ticket purchase request, concrete, tangible, and useful data is produced and sent to the customer. This concrete, tangible, and useful data includes a ticket layout, adapted to allow the customer to print a printed ticket. The printed ticket includes the ticket identifier and security features. Claim 1 does not include the actual step of having the customer print the ticket, but that does not change the fact that the data sent to the customer, i.e. the ticket information and ticket identifier, is concrete, tangible, and useful information allowing the customer to print a ticket at the time of the customer's choosing.

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Claim 1 further claims storing the security features and the ticket identifier. Again, storing this information, i.e. the security features and ticket identifier, produces something that is concrete, tangible, and useful, especially with regard to later security checking. Resultant data, in this case a ticket identifier and its security features, stored in a particular format for use by a customer and/or a security system, is certainly concrete, tangible, and useful.

In light of the foregoing, Applicant respectfully requests that the Examiner withdraw the rejection of claims 1, 2, 5, 6, and 8 under 35 U.S.C. § 101.

5. Claim Rejections - 35 U.S.C. § 103

Claims 1-6, 8-18, and 20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,085,976 to Sehr (hereinafter Sehr). Applicant respectfully traverses the rejections.

Each of Applicant's independent claims includes at least the following limitations:

- receiving a ticket purchase request from a customer;
- receiving one or more security features from the customer;
- sending ticket information and a ticket identifier to the customer in response to the purchase request,
 - the ticket information including a ticket layout
 - wherein the ticket layout is adapted to allow the customer to print a printed ticket,
 - the printed ticket formatted according to the ticket layout and the printed ticket including the ticket identifier and the security features;
 - and

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- storing the security features and the ticket identifier.

Applicant's claims are directed towards printing tickets that include security features. These security features can be used, for example, to stop the activities of ticket thieves or hackers. The printed ticket can then be used to quickly check the identity of the ticket holder against both the security features found on the ticket as well as security features stored at the point-of-service location that is collecting the tickets.

In contrast to Applicant's claimed invention, Sehr teaches a system and method for storing travel related information using "smart card" technology, where the travel related data is stored on the smart card (see abstract). Sehr teaches ways of storing data, including biometric data, onto smart cards in a manner that the stored data can be verified and validated at various point-of-service locations (id). Moreover, however, Sehr teaches against using printed tickets and clearly distinguishes his "passenger cards" from printed tickets. In the first two paragraphs of the Summary of Sehr's patent, he explains how his passenger cards are advantageous over the use of "paper/plastic-based travel documents." This portion of Sehr (col. 2, lines 6-25) is reproduced below, with emphasis added:

Based upon the features and objectives of the travel system and methods, advantages of this invention include reduced administrative costs, improved productivity, better quality of service, and higher revenues associated with the issuance, usage, and processing of the computerized cards as compared to the deployment of paper/plastic-based traveling documents and of conventional payment methods.

The lower administrative costs are the result of less personnel needed for the automated issuance and maintenance of computerized passenger cards as compared to controlling and following-up on paper-based documents or printed media; of less resources

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and telecommunications costs required to collect and clear electronic payments as compared to cash, checks or plastic-based payments; and of reduced fraud facilitated via the card-based security features. For instance, the detection of and prevention against fraudulent use of unauthorized travel means will be automated, and the steps of verifying passengers and use rights will be consolidated.

In contrast, Applicant teaches and claims a system and method where security features are negotiated between the merchant and the customer and ***the customer is provided information and a layout for printing a ticket that includes the security features.*** The differences between Applicant's claimed invention and the teachings of Sehr are even more poignantly brought to light when compared on a limitation-by-limitation basis.

While Sehr does teach receiving a ticket purchase request from a customer, Sehr teaches storing the customer characteristic data that are received in a smart card, and does not teach or suggest printing such characteristics on a printed ticket. Applicant claims "sending ticket information and a ticket identifier to the customer," while Sehr discloses keeping the ticket identifier in a database and, conversely to the assertion made in the Office Action, does not teach sending the ticket identifier to the customer. Instead, at col. 5, line 67 - col. 6, line 10, Sehr teaches providing the customer only with "validation codes," as shown below:

The database also comprises unique identification numbers for the passengers or providers, account numbers with financial institutions, security keys and access codes used for cryptographic purposes and protection schemes, passenger lists and negative files including cancelled or fraudulent account numbers, and various validation codes. These latter codes are associated with the tickets or services, which are

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requested by the passengers and delivered by the provider, for proof and authentication of products/services being rendered, including returned by passengers for exchange or for money-back purposes. Further included is information relating to payment transactions, such as details about the service or merchandise purchased with the passenger card, electronic receipts for the cleared payments, and the passenger's purchase habits and related payment history.

Sehr does not teach or suggest sending ticket information to a customer and that the ticket information includes a ticket layout. In fact, the Office Action does not cite any section of Sehr that discloses ticket layout information, but merely states that it must be "inherent in printing the ticket." Applicant disagrees that Sehr teaches or suggests anything to do with ticket layouts. A closer inspection of Sehr reveals, in fact, that Sehr does not teach or suggest anything to do with printed layout information. It follows, therefore, that Sehr does not teach or suggest sending such information to the customer. The reasons for Sehr's lack of such teaching stem from the fact that Sehr is teaching away from printing ticket information and, instead, teaches storing customer characteristics electronically on a smart card.

Further, Sehr does not teach or suggest a way for the customer to print a ticket "formatted according to the ticket layout, the printed ticket including the ticket identifier and the security features." The Office Action cites col. 7, lines 10-15 as teaching "printing electronic ticket" (sic). In the cited section, Sehr states:

The printer (15) allows the passenger to print out hardcopies including paper-based documents, such as tickets or travel statements and expense reports. When using thermal printing techniques, it can also be used

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to imprint text, logos, video images, or other related data and information onto the package of the passenger card.

While Sehr does suggest printing some paper-based documents, including tickets, Sehr does not teach or suggest printing the ticket according to the ticket layout, and ***importantly, Sehr does not teach or suggest printing the security features on the printed ticket***, as taught and claimed by Applicant. The Examiner admits that Sehr does not disclose printing a security feature on a printed ticket (see page 10, lines 4-11 of the present Office Action). However, the Examiner states that "[i]t would have been obvious to one of ordinary skill in the art at time (sic) of the invention to implement printing a security feature on a printed ticket, since one of ordinary skill in the art would ascertain that printing a ticket or boarding pass with a security feature would accomplish the same security result as viewing a security feature on a computer screen used to authenticate the rightful owner of the displayed electronic ticket." Applicant couldn't disagree more strongly with this statement.

One of the primary advantages of Applicant's invention is that the merchant can provide the customer with a list of merchant enabled security features from which the customer can select one or more security features to be printed on the ticket (see dependent claims 6 and 18). There could be many circumstances where a particular merchant does not have a computer system, bar code reader, or other such device available at the point of customer entry to an event. For example, if a customer is purchasing an electronic ticket for the county fair, there may not be a computer or other security system available at the fair entrance. In this case, the merchant (i.e. the

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seller of electronic fair tickets) may offer the customer a choice of security features, such as a photograph, a customer description, or signature. When the customer arrives at the fairgrounds, he will show his ticket, with his picture, description, and/or signature printed on the ticket, to the ticket-taker at the fair entrance. No security features will be checked on a computer screen, rather, the person taking tickets will visually check to see if the customer looks like the photograph and/or description printed on the ticket, and may also ask the customer to counter-sign the ticket to see if the signatures match. This is just one example where printing security features on a ticket gives a clear advantage over the prior art.

There are many other examples of venues where a computer, bar code reader, or other such device is not available, or not always available, and where there would be a clear advantage to having security features printed on a ticket, as taught and claimed by Applicant. The Examiner's statement (emphasis added) that "printing a ticket or boarding pass with a security feature would accomplish **the same security result** as viewing a security feature on a computer screen" is simply not accurate. There are clearly situations where having the security features printed on the ticket accomplishes a **better security result** than viewing the security features on a computer screen. For example, there may be situations where there is no computer system available or situations where the computer system is not working. There may be other situations where only the security features printed on the ticket are checked, unless there appears to be a discrepancy. In that case, the customer may be directed to a customer service area, where additional checking of stored security features may be conducted. Finally, there are other

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situations where it may be advantageous to check **both** the security features printed on the ticket and the security features stored in a security system, in order to double-check security. In other words, if the customer appears to match up with the security features printed on the ticket and not with the stored security features, or vice versa, this may trigger additional security screening.

Therefore, Applicant asserts that Sehr does not teach or suggest printing a ticket according to a ticket layout that includes security features on the printed ticket.

Claim 1 is allowable, as discussed above. Therefore, claims 2-6 and 8 are allowable for at least the same reasons that claim 1 is allowable. Notwithstanding this fact, Applicant below has discussed the allowability of selected dependent claims on the basis that Sehr does not teach or suggest the limitations claimed in these dependent claims.

In claim 4, Applicant claims:

4. The method as described in claim 3 wherein the request to the security server includes a merchant identifier, wherein the receiving is performed in response to the merchant identifier being found in an authorization table corresponding to a customer's account stored on the security server.

Again, the Office Action is void of any contention that Sehr teaches or suggests making sure that a merchant is authorized to receive the customer's security information from a server before being allowed to access the information. A review of Sehr, in general, as well as those sections of Sehr asserted

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as teaching, what the Office Action describes as "links to customer security images, requesting images, receiving images" (col. 11, lines 59-62; col. 13, lines 4-37) buttress Applicant's assertion that Sehr does not teach or suggest the limitations set forth in claim 4. Instead, Sehr teaches that card readers at entrance and exit gates are used to access information on a customer's smart card. Importantly, nowhere does Sehr teach or suggest authorizing the merchant in accessing the customer's account data located on a security server, as taught and claimed by Applicant.

The Office Action contends that Sehr teaches "sending a customer enabled security features" (sic), citing col. 19, lines 34-65. Applicant assumes that this section of the Office Action is directed towards Applicant's claim 6. However, Applicant's claim 6 is not directed at sending customer enabled security features. Instead, claim 6 is for sending the customer a list of merchant-enabled security features so that the customer can provide security features that coincide with those security features that have been enabled by a merchant. In other words, the list is provided so that the merchant and customer can negotiate a set of security features that will be included on the ticket. For example, if the merchant has enabled photographs and signature checking the customer can provide a digital photograph of himself and/or a signature, but would not send the merchant a fingerprint or other biometric data as such other data has not been enabled by the merchant.

Sehr, on the other hand, does not teach or suggest performing any sort of "negotiation" between a merchant and a customer as to what security features, or credentials, have been enabled by the merchant. Instead, in the section cited in the

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Office Action, Sehr teaches allowing merchants ("providers") to confirm reservations or certify specific service requests. Therefore, Applicant respectfully asserts that Sehr does not teach or suggest the limitations claimed in Applicant's claim 6.

Claim 9 is an information handling claim that includes the same limitations as claim 1 and, therefore, is allowable for at least the same reasons that claim 1 is allowable. Claims 10-12 each depend on claim 9 and, therefore, are allowable for at least the same reasons that claim 9 is allowable. Claim 13 is a computer program product claim that includes the same limitations as claim 1 and, therefore, is allowable for at least the same reasons that claim 1 is allowable. Claims 14-18 and 20 each depend on claim 13 and, therefore, are allowable for at least the same reasons that claim 9 is allowable.

Conclusion

As a result of the foregoing, it is asserted by Applicant that the remaining claims in the Application are in condition for allowance, and Applicant respectfully requests an early allowance of such claims.

Applicant respectfully request that the Examiner contact the Applicant's attorney listed below if the Examiner believes that such a discussion would be helpful in resolving any remaining questions or issues related to this Application.

Respectfully submitted,

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